

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

**Industries and Commerce Department – Andhra Co-operative Spinning Mills Ltd., Guntakal, Ananthapur District - Proposal of the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad to issue directions to the Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal to notify sale of assets of the Mills – Concurred – Orders – Issued.**

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**INDUSTRIES AND COMMERCE (TEX) DEPARTMENT**

**G.O.Rt.No. 338**

**Dated 27 -05-2010.**

**Read:-**

**From the Director of Handlooms and Textiles and Development  
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad,  
Lr.Rc.No.10656/05-S, dated 27-04-2010.**

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**O R D E R:-**

In the reference read above, the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has stated that in view of the complexities involved in rehabilitation of workers, regularization of land occupied by the workers and legal matters, it is suggested that the Joint Collector, Anantapur may be appointed as Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal for a period of 2 years from the date of assumption (or) liquidation process is completed whichever is earlier, as per Section 65 and 123 of the Andhra Pradesh Co-operative Societies Act 7 of 1964. Further the term of the present liquidator of the Mills expired by 15-12-2009 and the term has to be extended from 16-12-2009, till the date of proposed appointment of Joint Collector, Anantapur as Liquidator of the Andhra Co-operative Spinning Mills Ltd., Guntakal as per the provisions of Section 123 of the Andhra Pradesh Co-operative Societies Act, 1964. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has solicited the orders of the Government on the following:-

- (i) to extend the term of the present liquidator from 16-12-2009 till the date of proposed appointment of the Joint Collector, Anantapur as Liquidator of the Andhra Co-operative Spinning Mills Ltd., Guntakal as per the provisions of Section 123 of the Andhra Pradesh Co-operative Societies Act 7 of 1964.
- (ii) to appoint the Joint Collector, Anantapur as Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal Under Section 65 and Section 123 of the Andhra Pradesh Co-operative Societies Act for a period of two years from the date of assumption of charge of the Mills or liquidation process is completed whichever is earlier.
- (iii) to concur with the proposal of the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad to issue directions to the Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal to notify sale of assets of the Mills subject to the following conditions:-
  - (a) to follow due process of tendering and maximize the value on the sale of assets in order to cover the total liabilities and to discharge the liabilities of the Mills strictly in accordance with Section 12 (A) (9) of Andhra Pradesh Co-operative Societies Act 7 of 1964.
  - (b) to take the permission of the Hon'ble High Court to avoid legal complications.

- (c) to notify sale of assets of the Mills duly imposing condition that the purchaser will revive the Mill with 15,000 to 20,000 spindles providing employment to about 400 to 500 workers without any Government assistance what so ever. Proper care is to be taken to maximize the sale value, if necessary by splitting the mill into 4-5 packages based on current land use.
- (d) To initiate action for regularization of the land occupied by the mill workers wherein they have built houses etc., as requested by the workers, at a nominal value keeping in view the public interest and Andhra Pradesh Co-operative Societies Act.
- (e) The amounts required to clear all the dues including Government dues as per the provisions and priorities of the Andhra Pradesh Co-operative Societies Act, 1964 have to be realized from out of sale proceeds and that there shall be no financial assistance from the Government in this regard.
- (f) To negotiate with the workers of the Mills with regard to feasibility of one time settlement of dues payable as per the orders of the Labour Court as per eligibility, keeping in view the financial and legal implications. The requirement of funds have to be met from out of the sale proceeds only, duly following procedure as per Andhra Pradesh Co-operative Societies Act, 1964.

2. After careful examination, Government have decided to concur with the proposal of the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad to issue directions to the Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal to notify sale of assets of the Mills subject to certain conditions. Accordingly, Government hereby concur with the proposal of the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad to issue directions to the Liquidator, Andhra Co-operative Spinning Mills Ltd., Guntakal to notify sale of assets of the Mills subject to the conditions mentioned at Sl.No. (iii) (a) to (f) in Para 1 above.

3. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad is requested to take action in the matter accordingly and send a compliance report to the Government.

4. This order issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.6597/106/Exp.I&C/2010, dated 30-03-2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA RPADESH)

RANJEEV R.ACHARYA,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To  
The Director of Handlooms and Textiles and Development  
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad.

Copy to:

The District Collector, Ananthapur.

The Assistant Director (H&T), Anantapur /Liquidator,

Andhra Co-operative Spinning Mills Ltd., Guntakal, Anantapur District.

The Finance ( Exp.I&C) Department

The Public Enterprises Department

The P.S. to M(M&G,H&T,SM)

The P.S. to Special Secretary to Chief Minister.

The P.S. to Principal Secretary to Government,  
Industries and Commerce Department.

SF/SC.

// FORWARDED BY: ORDER//

SECTION OFFICER.